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FM AMEMBASSY ASHGABAT  
TO RUEHC/SECSTATE WASHDC PRIORITY 4089  
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE  
RUCNCIS/CIS COLLECTIVE  
RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHAK/AMEMBASSY ANKARA 6139  
RUEHBJ/AMEMBASSY BEIJING 3828  
RUEHKO/AMEMBASSY TOKYO 3687  
RUEHIT/AMCONSUL ISTANBUL 4381  
RUEKJCS/JOINT STAFF WASHDC  
RUEAIIA/CIA WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RHEFDIA/DIA WASHDC  
RHEBAAA/DEPT OF ENERGY WASHDC  
RHEHNSC/NSC WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUEKJCS/SECDEF WASHINGTON DC  
RUCNDT/USMISSION USUN NEW YORK 1423  
RUEHVEN/USMISSION USOSCE 4312

UNCLAS SECTION 01 OF 02 ASHGABAT 000074

SENSITIVE  
SIPDIS

STATE FOR SCA/CEN;  
EEB/IFD/OMA FOR BSAUNDERS  
COMMERCE FOR DSTARKS/EHOUSE

E.O. 12958: N/A

TAGS: [EAID](#) [AID](#) [ECON](#) [EFIN](#) [PREL](#) [TX](#)

SUBJECT: TURKMENISTAN'S BUDGET PUBLICLY AVAILABLE, BUT  
OMISSIONS REMAIN

REF: A. STATE 1923

[1](#)B. 09 ASHGABAT 413

ASHGABAT 00000074 001.2 OF 002

[1](#)1. (U) Sensitive but unclassified. Not for public Internet.

[1](#)2. (SBU) The following is Post's response to ref A that requests information about Turkmenistan's central government budget.

[1](#)3. (SBU) Is the host's annual national budget publicly available?

Total amounts for both the general state budget, which includes central and local government revenue and expenses, and the central (non-local) government were published in the state-published newspaper "Neutral Turkmenistan" on November 23, 2009. There is no detailed breakdown of the overall budget figures available to the public.

[1](#)4. (SBU) Are incomes and expenditures included in the publicly-available budget?

The 2010 budget figures published in the Turkmen newspaper indicated \$16.94 billion in revenues and a projected \$17.47 billion in expenditures, leaving a \$0.52 billion deficit. There was mention that \$2.8 billion in revenues come from tax revenues. There was no line item breakdown of expenditures.

[1](#)5. (SBU) What is post's assessment of the extent to which the publicly-available budget accurately reflects actual government incomes and expenditures?

The publicly available budget figures do not include revenues and expenditures of self-supporting government sectors such as the oil and gas sector and the railways. There is no

transparency regarding the government's overall revenues and expenditures. There is no basis to determine the accuracy of the published figures. Additionally, the largest contributor to government revenues, oil and gas revenues, is handled separately from the published budget figures.

16. (SBU) Have there been any events since the 2009 review that may have affected fiscal transparency (e.g., a coup)? No.

17. (SBU) Since last year's review, what efforts has the host government undertaken to improve fiscal transparency? (ref B) What progress has been made, pursuant to the 2009 demarches on the subject?

In 2009, the GOTX approved and participated in the following projects funded by USAID's Economic Reform to Enhance Competitiveness (EREC) project: the establishment of an International Financial Reporting Standards (IFRS) Training Center at the Turkmen Academy of Sciences, which will train university professors on how to introduce IFRS into the Turkmen university accounting curriculum and serve as a resource facility for Turkmen professors' ongoing professional development; courses in the Certified Accounting Practitioner/Certified International Professional Accountant (CAP/CIPA) "Train the Trainers Program for Accounting Professors" program with 102 Turkmen participants; courses in the CAP/CIPA "Train the Trainers Program for Banking Sector Specialists, with 275 participants between December 2008 and November 2009; a review of the Supreme Control Chamber (SCC) of Turkmenistan, which resulted in a development plan that identifies priorities for capacity building; and a two-year time schedule for strengthening the SCC through the implementation of agreed activities contained in the

ASHGABAT 00000074 002.2 OF 002

development plan. Additionally, the GOTX participated in a joint EREC and EU-TACIS program to assist Turkmen Ministry of Finance reps prepare a set of national accounting standards based on international standards, and the GOTX signed an MOU with the United Nations Center for Preventive Diplomacy (UNDP) on accounting reforms in the banking sector that produced a step-by-step action plan to implement IFRS. By approving and participating in the above-mentioned programs, the GOTX has shown a continued willingness to improve fiscal transparency.

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